

AR80

CANADA Permanent Mortgage Corp.

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EASTERN &
CHARTERED
TRUST
COMPANY
ANNUAL
REPORT
1966

78



Board of Directors

ALBERT S. FRASER, Montreal, P.Q.
Honorary Chairman
President, Investment Foundation Ltd.

*DONALD MCINNES, Q.C., LL.D., D.C.L.,
Halifax, N.S.
Chairman
Partner, McInnes, Cooper & Robertson

*HENRY E. LANGFORD, Q.C., Toronto, Ont.
President
Director, The Imperial Life Assurance
Company of Canada

C. G. GREENSHIELDS, Q.C., Montreal, P.Q.
Vice-President
Director, Montreal Life Insurance Company

*R. A. JODREY, LL.D., D.C.L., Hantsport, N.S.
Vice-President
President, Minas Basin Pulp & Power Co. Ltd.

*J. C. MACKEEN, LL.D., Halifax, N.S.
Vice-President
Chairman, Nova Scotia Light and Power Co.
Ltd.

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Vice-President
Chairman, Terminal Warehouses Limited

*HON. JOHN B. AIRD, Q.C., Toronto, Ont.
Partner, Edison, Aird & Berlis

S. G. BENNETT, M.C., Toronto, Ont.
Director, Dominion Stores Limited

*SIDNEY M. BLAIR, Toronto, Ont.
Vice-Chairman, Canadian Bechtel Limited

W. J. BORRIE, Vancouver, B.C.
Chairman, Pemberton Securities Ltd.

*T. A. BOYLES, Toronto, Ont.
Executive Vice-President, The Bank of Nova
Scotia

JOHN R. BRADFIELD, Toronto, Ont.
Chairman, Noranda Mines Limited

C. F. W. BURNS, Toronto, Ont.
Chairman, Burns Bros. & Denton Limited

A. KIRK CAMERON, Westmount, P.Q.
Vice-President, Investment Foundation Ltd.

*E. R. E. CARTER, Toronto, Ont.
President, The Patino Mining Corporation

J. M. RICHARD CORBET, Toronto, Ont.
Director, United Accumulative Fund Ltd.

EDWARD F. CREASE, Halifax, N.S.
President, A. J. Bell & Grant Limited

HON. T. A. CRERAR, Q.C., Winnipeg, Man.

G. E. ELLSWORTH, Toronto, Ont.
President, The Toronto Iron Works Limited

C. M. P. FISHER, Sackville, N.B.
Vice-President, The Enterprise Foundry Co.
Ltd.

S. L. FOUNTAIN, Halifax, N.S.
President, North-Eastern Corporation, Ltd.

HON. LOUIS P. GÉLINES, M.B.E., Montreal, P.Q.
Geoffrion, Robert & Gélinas, Inc.

JEAN-J. GOURD, Q.C., Montreal, P.Q.
Partner, Gourd, Monette, Lesage & Groleau

GEORGE L. HOLMES, F.S.A., Toronto, Ont.
Chairman, The Manufacturers Life Insurance
Company

HON. GORDON B. ISNOR, Halifax, N.S.

*H. R. JACKMAN, Q.C., Toronto, Ont.
President, Dominion & Anglo Investment
Corporation Limited

R. H. JENKINS, Calgary, Alta.
President, Glendale Properties Ltd.

*J. H. MOWBRAY JONES, D.ENG., Liverpool, N.S.
Director, The Bowater Paper Corporation
Limited, London, England

*OAKAH L JONES, Toronto, Ont.
President and General Manager
The Consumers' Gas Company

E. D. LOUGHNEY, Pittsburgh, U.S.A.
Executive Vice-President, Gulf Oil Corporation

SIR DENYS LOWSON, BART., London, England
Chairman, Algoma Central Railway

HON. J. KEILLER MACKAY, D.S.O., V.D., Q.C.,
LL.D., D.C.L., Toronto, Ont.
Former Lieutenant-Governor of Ontario

A. MURRAY MACKAY, LL.D., Halifax, N.S.
Chairman, Maritime Telegraph & Telephone
Co. Ltd.

JOHN MACNEIL, Q.C., Sydney, N.S.
Partner, MacNeil, MacNeil & Colborne

MAYNARD A. METCALF, C.B.E., Montreal, P.Q.
Vice-President, Canadian National Railways
(retired)

NORMAN J. MCLEAN, Toronto, Ont.
Director, Canada Packers Limited

S. C. OLAND, C.D., V.D., LL.D., Halifax, N.S.
Chairman, Oland & Son Limited

JOHN J. ROBINETTE, Q.C., Toronto, Ont.
Counsel, McCarthy & McCarthy

DAVID P. ROGERS, Toronto, Ont.
Chairman, Union Gas Co. of Canada Limited

J. A. SCYTHES, Toronto, Ont.
Chairman, Scythes and Company Limited

WALLACE W. SMITH, Lunenburg, N.S.
President, National Sea Products Ltd.

J. W. SPEIRS, Winnipeg, Man.
President, Modern Dairies Ltd.

CHARLES N. WILSON, Saint John, N.B.
President, The Standard Dredging Co. Ltd.

KENNETH A. WILSON, Q.C., Montreal, P.Q.
Counsel, Lafleur and Brown

MANUEL I. ZIVE, D.C.L., Halifax, N.S.
President, S. P. Zive & Son Ltd.

*Members of Executive Committee

President's Report/Rapport du Président



To the Shareholders of
Eastern & Chartered Trust Company:

Your Directors have pleasure in submitting herewith the Balance Sheet, Statement of Income and Statement of Undivided Profits of the Company for the year ended December 31st, 1966. The Company had a satisfactory year. In keeping with our policy of providing shareholders with more information you will note the Statement of Income sets out the classifications of our operating revenue and expenses. Net profit for the year was 8.34% higher than in 1965. The transfer to mortgage reserve of \$894,000 was in keeping with our policy of transferring to such reserve, before taxation, the maximum amount allowed by the Income Tax Act.

Guaranteed Investment Certificates increased substantially by reason of our customers taking advantage of the rates which were paid on these securities. While our savings deposits declined in amount, there was a substantial growth in the number of individual customers who made use of these facilities in our various offices. Fees and commissions from estates, trusts and agencies showed a healthy growth.

Since our last report we lost three directors by death and two by resignation. Mr. J. M. Macintosh, Q.C., a Vice-President, and Mr. John D. Hayes were for many years directors of Chartered Trust Company. Dr. W. A. Curry, F.R.C.S. served in the same capacity with Eastern Trust Company. It is with genuine sorrow that we record the death of these three gentlemen. In August Mr. G. S. Cowan, Q.C. resigned to become a Judge of the Supreme Court of Nova Scotia and at the end of the year Mr. Norman Whittall of Vancouver resigned by reason of retirement from active business. For many years all of

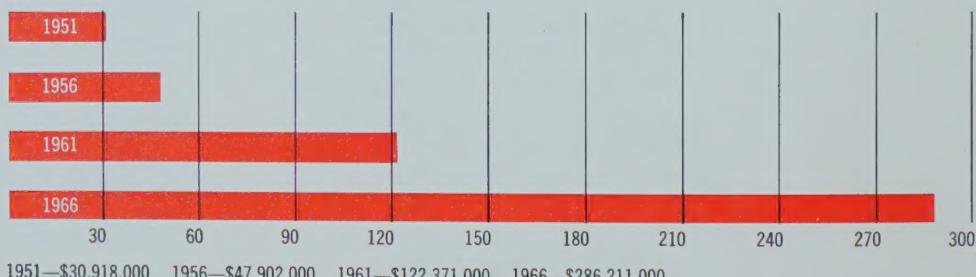
*Aux actionnaires de
Eastern & Chartered Trust Company*

Si on examine le bilan, l'état des revenus et l'état des profits non répartis de la compagnie au 31 décembre 1966, on constate que l'année écoulée a été satisfaisante. Nous nous sommes conformés à la tendance qui, de nos jours, veut que l'on informe davantage les actionnaires; aussi on remarquera que l'état des revenus énumère les classifications de nos revenus et pertes. Nous enregistrons pour l'année écoulée un profit net de 8.34% supérieur à celui de 1965. Le transfert de \$894,000 opéré à la réserve pour hypothèques est conforme à la ligne de conduite que nous nous sommes dictée de transférer à ladite réserve la somme maximum exemptable de l'impôt par la Loi de l'impôt sur le revenu.

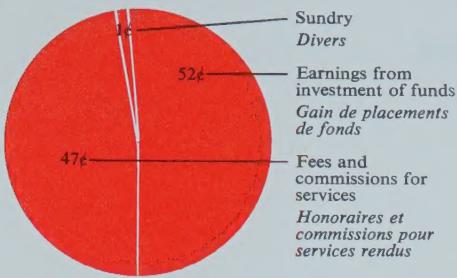
Le bilan indique une hausse importante des certificats de placements garantis achetés par nos clients qui ont ainsi profité des taux d'intérêt versés sur ces valeurs. Au cours de l'année dernière, nous avons épousé les dépôts spéciaux à court terme, ce qui a eu pour effet de ralentir la croissance générale du compte de dépôts garantis.

Depuis notre dernier rapport, nous avons déploré le décès de trois directeurs; deux autres ont résigné leurs fonctions. En effet, nous avons été affligés par la perte de trois grands serviteurs de la maison: M. J. M. Macintosh, C.R. et M. John D. Hayes, qui avaient été directeurs de Chartered Trust Company. Le Dr W. A. Curry, F.R.C.S. a rempli les mêmes fonctions chez Eastern Trust Company. Au mois d'août dernier, M. G. S. Cowan, C.R. a résigné ses fonctions pour devenir juge de la cour suprême de la Nouvelle-Ecosse puis, à la fin de l'année, M. Norman Whittall de Vancouver a pris sa retraite. Pendant plusieurs années, tous se sont grandement dévoués pour assurer l'essor de nos compagnies, avant et après leur fusionnement. Leur départ laisse un grand vide au sein de la compagnie et la prive de leurs judicieux conseils.

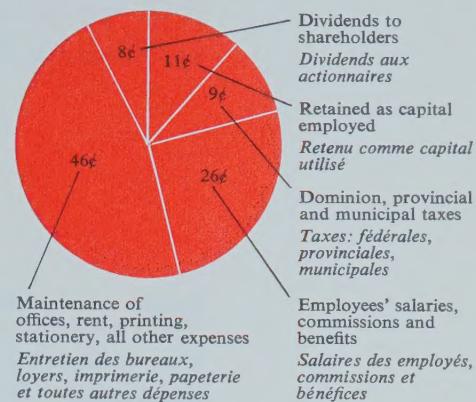
Growth of Savings Deposits and Guaranteed Certificates (Millions)
Augmentation des dépôts d'épargne et des certificats (en millions)



How each dollar of income was derived in 1966
 Source de chaque dollar de revenu en 1966



How each dollar of income was used in 1966
 Répartition de chaque dollar de revenu en 1966



these men made a valuable contribution to the predecessor and amalgamated companies and their presence and advice will be sorely missed from the board.

The year 1966 will be remembered in Canadian economic history as one of many strikes, inflation, higher taxation and a 'Monetary Crisis' during the late summer. Interest rates rose to a level not seen in Canada for very many years. In view of the conditions prevailing your directors followed a policy of strengthening the liquidity of the Company and also adopted a conservative growth policy so far as expansion was concerned. The Company evidenced its confidence in the continued growth of the two communities by acquiring large real estate businesses in Metropolitan Montreal and in Metropolitan Vancouver. These, together with existing real estate offices in other branches, puts your Company in a leading position amongst trust companies in the real estate market from coast to coast. The successful activities of all the real estate sales and management forces of the Company justified the expansion of this type of service. The Company also had a very active year in its work on behalf of corporate clients.

With the expected early enactment of the Deposit Insurance Act by the Federal Government and with the signs of an easing of the monetary position we look forward to an increased growth in all departments and branches of our business in 1967.

President
 H. E. Langford

L'année 1966 restera marquée dans l'histoire de l'économie du Canada comme une année traversée par des grèves, l'inflation, la hausse des impôts et, à la fin de l'été, une "crise monétaire" qui a entraîné une rareté de l'argent et une majoration des taux d'intérêt. Devant cet état de choses, les administrateurs ont renforcé la liquidité de la compagnie et ont envisagé l'expansion de celle-ci avec modération.

La compagnie a fait l'acquisition d'importantes maisons immobilières tant à Montréal qu'à Vancouver. Ces bureaux, joints aux départements d'immeuble de nos succursales placent votre compagnie au premier rang des compagnies de fiducie dans le marché de l'immeuble d'un océan à l'autre. Les activités des administrations et des effectifs de vente immobilière des sociétés dont la compagnie s'est porté acquéreur durant l'année, ont déjà justifié leur acquisition. En plus de l'immeuble, la compagnie a été particulièrement active dans l'administration de successions et dans l'oeuvre accomplie pour le compte des sociétés qu'elle dessert.

Nous formulons l'espérance que le gouvernement fédéral mettra la Loi des dépôts de garantie des compagnies d'assurance en vigueur le plus tôt possible. D'autre part, devant la détente qui s'annonce dans la situation monétaire, nous pouvons envisager un nouvel essor pour nos affaires au cours de l'année 1967, essor auquel participeront toutes nos succursales.

Président
 H. E. Langford

Balance Sheet

as at December 31, 1966

Assets	1966	1965
Cash on hand and in banks.....	\$ 3,113,040	\$ 2,559,721
SECURITIES:		
Government of Canada and Provincial. \$54,615,577		
Canadian Municipal..... 10,937,340		
Other bonds and debentures..... 20,703,249		
Stocks..... 8,338,412		
	94,594,578	89,298,945
Loans on collateral securities..... 563,744		771,477
Advances to estates, trusts and agencies..... 608,019		408,725
Accrued interest on investments..... 2,639,656		2,481,535
Mortgages, less reserve..... 200,817,038		205,611,611
Office premises—cost less depreciation	1,847,906	1,788,089
	<u>\$304,183,981</u>	<u>\$302,920,103</u>

Auditors' Report to the Shareholders

We have examined the balance sheet of Eastern & Chartered Trust Company as at December 31, 1966 and the statements of income and undivided profits for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. We have verified the cash, bank balances and securities of the company.

The assets held for Guaranteed Trust Account and for Estates, Trusts and Agencies are kept separate from the company's own assets and are so recorded on the books of the company as to show the accounts to which they belong.

In our opinion, the accompanying balance sheet and statements of income and undivided profits, when read in conjunction with the notes appended thereto, are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company as at December 31, 1966 and the results of its operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the company.

Toronto, January 20, 1967

PEAT, MARWICK, MITCHELL & Co.
Chartered Accountants

Liabilities	1966	1965
GUARANTEED TRUST ACCOUNT:		
Savings deposits.....	\$113,120,740	\$117,154,902
Guaranteed investment certificates.....	172,449,371	157,416,980
Special deposit certificates.....	640,396	10,843,994
	<u>\$286,210,507</u>	<u>\$285,415,876</u>
Accounts due and accrued.....	47,445	86,647
Dividend payable January 2, 1967.....	207,129	206,926
Provision for income taxes.....	297,393	114,345
	<u>\$286,762,474</u>	<u>\$285,823,794</u>
SHAREHOLDERS' EQUITY:		
Capital stock:		
Authorized—1,300,000 shares of \$10 par value		
Issued and fully paid—591,797 shares.....	5,917,970	5,914,270
General reserve.....	10,584,982	10,576,102
Undivided profits.....	918,555	605,937
	<u>\$ 17,421,507</u>	<u>\$ 17,096,309</u>
	<u>\$304,183,981</u>	<u>\$302,920,103</u>

We certify that to the best of our knowledge and belief the above statement is correct and shows truly and clearly the financial condition of the company's affairs.

H. E. LANGFORD, *President*

DONALD MCINNES, *Chairman*

W. DENT SMITH, *Vice-President*

Statement of Income

for the year ended December 31

1966

1965

Operating Revenue

Interest from mortgages.....	\$14,228,190	\$13,030,316
Interest and dividends from bonds, notes and stocks.....	5,307,969	5,049,229
Fees and commissions from estates, trusts and agencies...	5,126,749	4,318,954
Other operating revenue.....	156,513	127,652
	<u>\$24,819,421</u>	<u>\$22,526,151</u>

Operating Expenses

Interest on savings, deposits and trust certificates.....	\$13,738,076	\$12,445,749
Salaries, commissions and staff benefits.....	5,086,142	4,258,108
Other operating expenses.....	3,025,974	3,076,776
Depreciation.....	99,037	96,194
	<u>\$21,949,229</u>	<u>\$19,876,827</u>

Net profit before Income Taxes.....	\$ 2,870,192	\$ 2,649,324
Income Taxes attributable to above profit.....	1,300,000	1,220,000
Net profit for the year.....	<u>\$ 1,570,192</u>	<u>\$ 1,429,324</u>

Amount transferred to mortgage reserve.....	\$ 894,000	\$ 861,000
X Reduction in income taxes <u>resulting</u> therefrom.....	464,900	447,700
	<u>\$ 429,100</u>	<u>\$ 413,300</u>
Amount transferred to Undivided Profits.....	<u>\$ 1,141,092</u>	<u>\$ 1,016,024</u>

Statement of Undivided Profits

for the year ended December 31

1966

1965

Balance of undivided profits at beginning of year.....	\$ 605,937	\$ 617,515
Balance of profits for year after appropriation.....	1,141,092	1,016,024
	<u>\$ 1,747,029</u>	<u>\$ 1,633,539</u>

DEDUCT:

Dividends.....	828,474	827,602
Transfer to reserve for investments.....	—	200,000
Balance at end of year.....	<u>\$ 918,555</u>	<u>\$ 605,937</u>

Notes:

1. 370 shares of the capital stock of the company were taken up by senior personnel under option agreement at \$34 per share. Of the \$12,580 received, \$3,700 was applied to capital stock and \$8,880 was applied to general reserve. A balance of 564 shares remains under option exercisable on or before December 31, 1967.

2. Government of Canada and Provincial Securities are stated at not in excess of amortized cost. Other securities are stated at not in excess of quoted market value.

3. Of the aggregate amount set aside as reserves for mortgages and investments \$3,330,000 has been applied to reduce the carrying value of each of Canadian Municipal securities, other bonds and debentures and stocks to not in excess of quoted market values at December 31, 1966. The balance of such reserves has been applied against the carrying value of mortgages and miscellaneous assets.

4. Profits and losses on securities, and income taxes applicable thereto, have been excluded from the statement of undivided profits and recorded in reserve for investments.

Location of Offices across Canada



Management

HEAD OFFICE

President

HENRY E. LANGFORD, Q.C.

Vice-Presidents

K. BURN, Q.C.

R. P. HOWARD

Deputy General Manager

E. G. DEWLING

Assistant General Managers

J. E. BROOME

T. G. SHEARD

H. G. SOWARD, F.C.I.S., *Secretary*

E. E. SPENCER

A. E. STEAD, C.A.

Treasurer

J. F. MILLER

Comptroller

J. F. MARSHALL, C.A.

National Mortgage Supervisor

J. R. MARTIN

National Mortgage Inspector

J. E. FEENER

Chief Inspector

S. B. WARE

REGIONAL OFFICES

Toronto

E. J. BROWN, *Assistant General Manager*
H. T. COOLING, *Associate Secretary*
G. SCHAKELAAR, *Assistant Comptroller*

Montreal

I. G. SEWELL, *Assistant General Manager*
D. B. LANE, *Assistant Secretary*

Halifax

M. A. NORTH, *Assistant General Manager*
W. C. MATTHEWS, *Assistant Secretary*
K. D. NAUGLER, *Assistant Treasurer*

Vancouver

H. K. NAYLOR, *Assistant General Manager*



Chubb's Corner is historical spot in Saint John, N.B.

For a century and a quarter this familiar spot has been the focal point and at the very heart of commercial life in this old city. Sensing a state of vigorous growth in the early 1840's, an enterprising printer and newspaper publisher, named Henry Chubb erected a brick building on the north-west corner of Prince William and Princess Streets to house his expanding business. Later to be called "Chubb's Corner" it was a popular meeting place for men of the business community. Here at noon—as a continuation of the Merchants' Exchange—were to be found businessmen, politicians, spectators and casual citizens stopping for a few minutes to buy or sell, or simply hear the gossip of the day. Here it was that debts were paid, barristers discussed lawsuits, and ships were chartered.

For decades, Chubb's building carried a bulletin board for the posting of public and legal notices. These included notices of auction sales and from the mid 1840's it became the established practice to auction off ships and real estate, particularly those properties involving foreclosures, on the curb at Chubb's Corner, no matter the time of year or the weather.

The great fire of 1877 that wiped out two-thirds of the city reduced Chubb's Corner to a smoking ruin. But Henry Chubb's son George was quick to rebuild and a new building, classic in design,

somewhat Greek in detail, was completed the following year. Its most distinguished features were 16 raised stone heads carved in panels over the third floor windows. They included likenesses of Chubb and Mayor Earl as well as other leading citizens and were the work of James McAvity. They were the subject of much discussion as to who had been depicted and how complimentary were the likenesses. One outraged citizen wrote to the press convinced the building "had been highly disfigured by these meaningless heads, which stand out boldly in all their ugliness . . . We trust no more of our public buildings will be adorned by such buffoonery."

Once more the historic corner became a great centre of commercial speculation and the Chubb firm now used the building for banking and exchange activities as well as for its extensive publishing business. With the passing of time there came a change in owners and in the use of the building.

It was acquired by The Eastern Trust Company, which established a branch in Saint John in 1901, was modernized in 1962 and is now one of the 36 offices across Canada of Eastern & Chartered Trust Company. It will be observed in the photograph that legal notices are still displayed in the case set in the marble facing of the building and the occasional auction sale still takes place at this historic spot.



Office of Tri-Town Realty Division—85 Metropolitan Blvd., Pointe Claire, Que.

Regional Boards

Atlantic
D. C. CAMPBELL
EDWARD F. CREASE
C. M. P. FISHER
S. L. FOUNTAIN
G. ELLIOTT FULL
HON. GORDON B. ISNOR
E. L. HICKMAN
R. A. JODREY
J. DRUMMOND MACGREGOR
J. C. MACKEEN
A. MURRAY MACKAY
JOHN MACNEIL, Q.C.
DONALD MCINNES, Q.C.
S. C. OLAND
WALLACE W. SMITH
C. N. WILSON
M. I. ZIVE

Fredericton
Halifax
Moncton
Halifax
Charlottetown
Halifax
St. John's
Hantsport
New Glasgow
Halifax
Halifax
Sydney
Halifax
Halifax
Lunenburg
Saint John
Halifax

Quebec (All residents of Montreal)

A. E. BALLOCH JEAN-J. GOURD, Q.C.
A. KIRK CAMERON C. G. GREENSHIELDS, Q.C.
J. A. DE LALANNE MAYNARD A. METCALF
ALBERT S. FRASER WILLIAM H. WALLACE
HON. LOUIS P. GÉLINAS KENNETH A. WILSON, Q.C.

Ontario

(All residents of Toronto unless otherwise shown)

HON. JOHN B. AIRD, Q.C.
S. G. BENNETT
SIDNEY M. BLAIR
T. A. BOYLES
JOHN R. BRADFIELD
C. F. W. BURNS
E. R. E. CARTER
J. M. RICHARD CORBET
JOHN M. COYNE, Q.C.
G. E. ELLSWORTH
D. H. HENDERSON
GEORGE L. HOLMES
H. R. JACKMAN, Q.C.
OAKAH L JONES
HENRY E. LANGFORD, Q.C.
HON. J. KEILLER MACKAY
NORMAN J. MCLEAN
JOHN J. ROBINETTE, Q.C.
DAVID P. ROGERS
J. A. SCYTHES
W. DENT SMITH

Ottawa

Hamilton

Branch Advisory Boards

Newfoundland



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E. L. HICKMAN,
Chairman
LEWIS H. M. AYRE
HON. CAMPBELL
MACPHERSON, O.B.E., LL.D.
E. J. PHELAN, Q.C.
E. A. PRATT
P. B. RENDELL
H. D. ROBERTS, M.D.
G. M. STIRLING, Q.C.
WILLIAM A. TILLER

New Brunswick



Saint John
C. N. WILSON,
Chairman
J. ROSS CORBETT
ROBERT L. EMERSON
ROY M. LAWSON
HUGH H. MACKAY
G. CLIFFORD MC AVITY
H. L. McMACKIN

Moncton
C. M. P. FISHER,
Chairman
JOHN BURCHILL
A. L. COMEAU
A. G. ENGLISH
J. K. GRAINGER
W. G. STEWART, Q.C.

Fredericton
D. C. CAMPBELL,
Chairman
BRIGADIER E. C. BROWN
B. L. JEWETT, M.D.
ARTHUR McF.
LIMERICK, Q.C.
FRANK I. MORRISON

Prince Edward Island



Charlottetown
G. ELLIOTT FULL,
Chairman
R. L. COTTON
N. H. DEBLOIS
J. A. MCMILLAN, M.D.
H. B. SCHURMAN

Nova Scotia



Halifax

Office at Halifax is advised by Atlantic Regional Board

South Shore, Lunenburg

WALLACE W. SMITH,
Chairman

JAMES R. CREASER
LYLE D. HOPKINS
LEON J. IVERSEN
J. H. MOWBRAY JONES
HON. J. J. KINLEY
MURRAY MOSHER
STANLEY S. RAFUSE
ROSS N. RITCEY

New Glasgow

J. DRUMMOND
MACGREGOR, *Chairman*
J. SIMON FRASER
DONALD R. MACKAY
E. C. MINGO
A. J. SEARS
THOMAS C. SEDGWICK, Q.C.

Sydney

JOHN MACNEIL, Q.C.,
Chairman
ROY D. DUCHEMIN, Q.C.
GORDON ELMAN
JAMES G. HACKETT, Q.C.
D. OWEN HARTIGAN
DANIEL A. MACDONALD
RUSSELL G. URQUHART

Quebec



Montreal

Offices in Montreal are advised by Quebec Regional Board

Ontario



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D. H. HENDERSON,
Chairman
K. B. PAULIN
T. F. RAHILLY, JR.
J. G. SMITH

Ottawa

JOHN M. COYNE, Q.C.,
Chairman
A. E. NORCROSS
P. STUART SECORD, O.B.E.

Manitoba



Winnipeg

HON. T. A. CRERAR,
Chairman
J. W. SPEIRS,
Vice-Chairman
JOHN F. BALDNER
S. PRICE RATTRAY
T. BRUCE ROSS

Alberta



Calgary

HON. HARRY HAYS,
Chairman
W. N. GRABURN
R. H. JENKINS
CHARLES KENNEDY
J. ANGUS MCKINNON
JOHN STEVENSON

British Columbia



Vancouver

W. J. BORRIE,
Chairman
GEO. C. BRADLEY
J. L. GIBSON
T. H. McCLELLAND
R. DOUGLAS WELCH
NORMAN R. WHITTALL
HAROLD M. WRIGHT

Kamloops

J. R. PYPER,
Chairman
T. A. BULMAN
R. I. DALGLEISH
M. C. FRENCH, C.A.
C. C. TERNAN

Branches and Management

MARITIMES

St. John's, Newfoundland

275 Water St.,

Manager, J. B. ELLS

Charlottetown, Prince Edward Island

154 Richmond Street,

Manager, A. MACM. JAMIESON

Halifax, Nova Scotia

MURRAY A. NORTH,

Assistant General Manager

5160 Prince Street,

Assistant Manager, F. D. HILTZ

Lunenburg, Nova Scotia

36 King Street,

Manager, F. W. CHENHALL

New Glasgow, Nova Scotia

141 Provost Street,

Manager, C. D. FULMORE

Sydney, Nova Scotia,

199 Charlotte Street,

Manager, A. C. MACGREGOR

Saint John, New Brunswick

111 Prince William St.,

9 Charlotte St.,

Manager, J. C. MACLEOD

Moncton, New Brunswick

814 Main Street,

Manager, J. E. DINGWELL

Fredericton, New Brunswick

67 Carleton St.,

Manager, R. B. MACKENZIE

QUEBEC

Montreal,

I. G. SEWELL, Assistant General Manager

625 Dorchester Blvd. West,

Manager, D. B. LANE

1326 Greene Ave. (Westmount),

Manager, J. WIGGLESWORTH

Real Estate

J. DRAPER, Manager,

(Tri-Town Realty Division)

85 Metropolitan Blvd., Pointe Claire

Manager, L. W. L. RICHARDS

ONTARIO

Hamilton, Ontario

7 King St. E.,

Manager, H. CAMERON AIRD

Ottawa, Ontario

Blackburn Bldg.,

91 Sparks Street,

Manager, S. MENTIPLY

METROPOLITAN TORONTO

E. J. BROWN, Assistant General Manager

Administrative Offices, 1901 Yonge Street,

Corporate Services,

H. T. COOLING, J. C. MALCOLM

Estates,

B. C. LOGAN, ELIZABETH ROBSON

Mortgage,

H. E. THRIFT

Real Estate

R. J. KING (Commercial)

D. W. YOUNG (Residential)

Savings,

W. R. DAY

Securities,

G. BROKMANN

34 King St. West,

Savings,

Manager, W. H. TESKEY

Ass't. Manager, COLIN CURRIE

Deer Park,

10 St. Clair Ave. West,

Manager, LYLE H. WILSON

Real Estate

PAUL McLAUGHLIN

Eglinton Square,

Manager, PAUL ABBOTT

Kingsway,

2972 Bloor St. West,

Manager, D. H. BOYD

Lawrence Plaza,

Bathurst St.—Lawrence Ave.,

Manager, G. H. CLEMENT

Weston,

1943 Weston Rd.,

Manager, L. LOEVENMARK

Yorkdale,
Dufferin at
Macdonald-Cartier Freeway,
Manager, BRANT WILSON

York Mills Shopping Centre,
2518 Bayview Ave., Willowdale,
Manager, J. M. ROBERTSON

61 Yonge Street,
Business Development,
ALEX MILLS
Corporation Sales, .
E. M. MILLER
Savings,
F. R. CORDICK

WEST

Winnipeg, Manitoba,
394 Portage Ave.,
Manager, N. A. EDWARDS

Saskatoon, Sask.,
406 Birks Bldg.,
165 Third Avenue South,
Mortgage Officer, J. R. MARKHAM

Calgary, Alberta,
480 - 7th Avenue S.W.,
Manager, E. R. JONES

Edmonton, Alberta,
209 Clarke Bldg.,
10160 - 102nd Street,
Mortgage Officer, T. B. CAPPIS

Kamloops, British Columbia,
330 Seymour St.,
Manager, J. D. LANK

Vancouver, British Columbia,
Assistant General Manager:
H. K. NAYLOR
400 Burrard St.
Assistant Manager: J. F. BRIGGS, C.A.
2154 West 41st Avenue (Kerrisdale)
Manager: J. W. ROGERS

Richmond Square (655 No. 3 Road)
Savings Supervisor: MRS. WILMA POIRIER

Real Estate Offices
General Supervisor for B.C.: R. E. BARR
General Sales Manager: J. B. ERICKSON
400 Burrard St.
Commercial Sales Manager: N. D. WISE
4488 Main St.
Sales Manager: H. VAN BERKEL
2001 West 41st Ave. (Kerrisdale)
Sales Manager: D. W. MAYNARD
1844 Lonsdale Ave. (North Vancouver)
Sales Manager: J. P. HOLMES

Eastern & Chartered Trust Services

- Savings Accounts
- Guaranteed Investment Certificates
- Savings Certificates
- Safety Deposit Boxes at most offices
- First Mortgage Loans
- Sale and Management of Real Estate
- Trustee for Pension Plans
- Investment Funds

for individuals

- Estate Planning
- Executor and Trustee
- Investment Management
- Trustee of Voluntary Trusts
- Committee of Property of incapacitated persons
- Retirement Savings Plans

for corporations, firms, institutions

- Transfer Agent and Registrar
- Dividend and Coupon Paying Agent
- Escrow Agent
- Trustee under Bond Issues
- Trustee of Employee Pension and Profit Sharing Funds
- Liquidator and Trustee in Bankruptcy
- Scrutineer Services for Corporate Proceedings

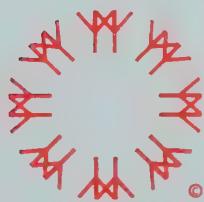
You are invited to visit any of our offices for information concerning our services.

Mail enquiries will receive prompt attention. There is no obligation.

Booklets are available which describe in more detail most of our services.



1867 1967





J.W.

**EASTERN &
CHARTERED
TRUST
COMPANY
ANNUAL
REPORT
1966**

**Statement of Income
for the year ended December 31**

	1966	1965
Operating Revenue		
Interest from mortgages.....	\$14,228,190	\$13,030,316
Interest and dividends from bonds, notes and stocks.....	5,307,969	5,049,229
Fees and commissions from estates, trusts and agencies.....	5,126,749	4,318,954
Other operating revenue.....	156,513	127,652
	\$24,819,421	\$22,526,151
Operating Expenses		
Interest on savings, deposits and trust certificates.....	\$13,738,076	\$12,445,749
Salaries, commissions and staff benefits.....	5,086,142	4,258,108
Other operating expenses.....	3,025,974	3,076,776
Depreciation.....	99,037	96,194
	\$21,949,229	\$19,876,827
Net profit before Income Taxes.....	\$ 2,870,192	\$ 2,649,324
Income Taxes attributable to above profit.....	1,300,000	1,220,000
Net profit for the year.....	\$ 1,570,192	\$ 1,429,324
Amount transferred to mortgage reserve.....	\$ 894,000	\$ 861,000
Reduction in income taxes resulting therefrom.....	464,900	447,700
	\$ 429,100	\$ 413,300
Amount transferred to Undivided Profits.....	\$ 1,141,092	\$ 1,016,024

Statement of Undivided Profits

	1966	1965
Balance of undivided profits at beginning of year.....	\$ 605,937	\$ 617,515
Balance of profits for year after appropriation.....	1,141,092	1,016,024
	\$ 1,747,029	\$ 1,633,539
DEDUCT:		
Dividends.....	828,474	827,602
Transfer to reserve for investments.....	—	200,000
Balance at end of year.....	\$ 918,555	\$ 605,937

Notes:

- 370 shares of the capital stock of the company were taken up by senior personnel under option agreement at \$34 per share. Of the \$12,580 received, \$3,700 was applied to capital stock and \$8,880 was applied to general reserve. A balance of 564 shares remains under option exercisable on or before December 31, 1967.
- Government of Canada and Provincial Securities are stated at not in excess of amortized cost. Other securities are stated at not in excess of quoted market value.
- Of the aggregate amount set aside as reserves for mortgages and investments \$3,330,000 has been applied to reduce the carrying value of each of Canadian Municipal securities, other bonds and debentures and stocks to not in excess of quoted market values at December 31, 1966. The balance of such reserves has been applied against the carrying value of mortgages and miscellaneous assets.
- Profits and losses on securities, and income taxes applicable thereto, have been excluded from the statement of undivided profits and recorded in reserve for investments.

Balance Sheet

as at December 31, 1966

Assets	1966	1965
Cash on hand and in banks.....	\$ 3,113,040	\$ 2,559,721
SECURITIES:		
Government of Canada and Provincial. \$54,615,577		
Canadian Municipal..... 10,937,340		
Other bonds and debentures..... 20,703,249		
Stocks..... 8,338,412		
	94,594,578	89,298,945
Loans on collateral securities..... 563,744		771,477
Advances to estates, trusts and agencies..... 608,019		408,725
Accrued interest on investments..... 2,639,656		2,481,535
Mortgages, less reserve..... 200,817,038		205,611,611
Office premises—cost less depreciation	1,847,906	1,788,089
	<u>\$304,183,981</u>	<u>\$302,920,103</u>

Auditors' Report to the Shareholders

We have examined the balance sheet of Eastern & Chartered Trust Company as at December 31, 1966 and the statements of income and undivided profits for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. We have verified the cash, bank balances and securities of the company.

The assets held for Guaranteed Trust Account and for Estates, Trusts and Agencies are kept separate from the company's own assets and are so recorded on the books of the company as to show the accounts to which they belong.

In our opinion, the accompanying balance sheet and statements of income and undivided profits, when read in conjunction with the notes appended thereto, are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company as at December 31, 1966 and the results of its operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the company.

Toronto, January 20, 1967

PEAT, MARWICK, MITCHELL & Co.
Chartered Accountants

Liabilities	1966	1965
GUARANTEED TRUST ACCOUNT:		
Savings deposits.....	\$113,120,740	\$117,154,902
Guaranteed investment certificates.....	172,449,371	157,416,980
Special deposit certificates.....	640,396	10,843,994
	<u>\$286,210,507</u>	<u>\$285,415,876</u>
Accounts due and accrued.....	47,445	86,647
Dividend payable January 2, 1967.....	207,129	206,926
Provision for income taxes.....	297,393	114,345
	<u>\$286,762,474</u>	<u>\$285,823,794</u>
SHAREHOLDERS' EQUITY:		
Capital stock:		
Authorized—1,300,000 shares of \$10 par value		
Issued and fully paid—591,797 shares.....	5,917,970	5,914,270
General reserve.....	10,584,982	10,576,102
Undivided profits.....	918,555	605,937
	<u>\$ 17,421,507</u>	<u>\$ 17,096,309</u>
	<u>\$304,183,981</u>	<u>\$302,920,103</u>

We certify that to the best of our knowledge and belief the above statement is correct and shows truly and clearly the financial condition of the company's affairs.

H. E. LANGFORD, *President*

DONALD McINNES, *Chairman*

W. DENT SMITH, *Vice-President*

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Honorary Chairman
President, Investment Foundation Ltd.

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Halifax, N.S.
Chairman
Partner, McInnes, Cooper & Robertson

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Director, The Imperial Life Assurance
Company of Canada

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Vice-President
Director, Montreal Life Insurance Company

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Vice-President
President, Minas Basin Pulp & Power Co. Ltd.

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Vice-President
Chairman, Nova Scotia Light and Power Co.
Ltd.

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Vice-President
Chairman, Terminal Warehouses Limited

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Chairman, Pemberton Securities Ltd.

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Scotia

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Director, United Accumulative Fund Ltd.

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G. E. ELLSWORTH, Toronto, Ont.
President, The Toronto Iron Works Limited

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Vice-President, The Enterprise Foundry Co.
Ltd.

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President, North-Eastern Corporation, Ltd.

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Geoffrion, Robert & Gélinas, Inc.

JEAN-J. GOURD, Q.C., Montreal, P.Q.

Partner, Gourd, Monette, Lesage & Groleau

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Chairman, The Manufacturers Life Insurance
Company

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Corporation Limited

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President, Glendale Properties Ltd.

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Director, The Bowater Paper Corporation
Limited, London, England

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President and General Manager
The Consumers' Gas Company

E. D. LOUGHNEY, Pittsburgh, U.S.A.
Executive Vice-President, Gulf Oil Corporation

SIR DENYS LOWSON, BART., London, England
Chairman, Algoma Central Railway

HON. J. KEILLER MACKAY, D.S.O., V.D., Q.C.
LL.D., D.C.L., Toronto, Ont.
Former Lieutenant-Governor of Ontario

A. MURRAY MACKAY, LL.D., Halifax, N.S.
Chairman, Maritime Telegraph & Telephone
Co. Ltd.

JOHN MACNEIL, Q.C., Sydney, N.S.
Partner, MacNeil, MacNeil & Colborne

MAYNARD A. METCALF, C.B.E., Montreal, P.Q.
Vice-President, Canadian National Railways
(retired)

NORMAN J. MCLEAN, Toronto, Ont.
Director, Canada Packers Limited

S. C. OLAND, C.D., V.D., LL.D., Halifax, N.S.
Chairman, Oland & Son Limited

JOHN J. ROBINETTE, Q.C., Toronto, Ont.
Counsel, McCarthy & McCarthy

DAVID P. ROGERS, Toronto, Ont.
Chairman, Union Gas Co. of Canada Limited

J. A. SCYTHES, Toronto, Ont.
Chairman, Scythes and Company Limited

WALLACE W. SMITH, Lunenburg, N.S.
President, National Sea Products Ltd.

J. W. SPEIRS, Winnipeg, Man.
President, Modern Dairies Ltd.

CHARLES N. WILSON, Saint John, N.B.
President, The Standard Dredging Co. Ltd.

KENNETH A. WILSON, Q.C., Montreal, P.Q.
Counsel, Lafleur and Brown

MANUEL I. ZIVE, D.C.L., Halifax, N.S.
President, S. P. Zive & Son Ltd.

*Members of Executive Committee